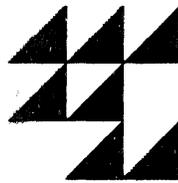


# **POLICY MANUAL OF THE METROPOLITAN COUNCIL AREA AGENCY ON AGING**

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**Metropolitan Council  
Metropolitan Area Agency on Aging  
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## INTRODUCTION

The purpose of the Metropolitan Council Area Agency on Aging (MAAA) Policy Manual is to document the policies, procedures and standards used to govern and operate the MAAA; maintain MAAA effectiveness and efficiency; and assist the Minnesota Board on Aging (MBA), policy makers, other funders, current and potential grantees, organizations serving the aging population and the public in understanding the mission, role and operation of the MAAA.

This manual has been developed in accordance with federal guidelines and mandates for the development of an MAAA under the Older Americans Act (OAA) of 1965, as amended; with State of Minnesota policies and procedures as established by the MBA; and with existing policies and procedures of the Metropolitan Council and its Area Agency on Aging. This manual was adopted by the Council on \_\_\_\_\_ 1993.

# **AREA AGENCY OVERVIEW**

## **BACKGROUND**

The MAAA was designated in the fall of 1972 in response to the anticipated 1973 Amendments to the 1965 OAA. The MAAA authority was derived from the MBA's designation of the Council as the MAAA on aging for the seven county Metropolitan Area (Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties). The responsibility and authorities attached to the MAAA are prescribed by the OAA legislation and amendments.

The Metropolitan Council was, and continues to be, the "umbrella agency" for the MAAA. The MAAA is a division with the Metropolitan Council. The Council was created in 1967 by the Minnesota State Legislature. As described by law, the purpose of the Council is to "coordinate the planning and development of the Twin Cities Metropolitan Area." The Metropolitan Area includes the seven counties noted above. The governor appoints the 17-members of the Council, which includes individuals from each of the 16 Council districts in the Metropolitan Area and a Council chair. The Council conducts its business through a committee system (Appendix 1). The Council provides policy guidelines for physical and human service planning, reviews local comprehensive plans for development, operates the Metropolitan Housing and Redevelopment Authority, conducts and develops research and provides technical assistance to local units of government, public and private organizations. In some instances, (including the MAAA OAA Grant Program) the Council also administers grant funds.

## **PURPOSE**

As mandated by the OAA, the MAAA exists to act as a leader and advocate on behalf of the older population and to plan and develop a comprehensive system of coordinated services for older adults in the seven-county Metropolitan Area. In working to develop a comprehensive and coordinated system of services, the MAAA's role is one of conducting planning and research efforts that contribute to the identification needs and resources; coordinating existing services and developing new services; building the capacity of local organizations; advocating on behalf of older adults and; in some instances funding programs and services that help older adults remain independent as long as possible.

## **PERSONNEL**

The current staff complement of the MAAA as outlined in Appendix 2. As a division of the Council, the MAAA follows Council personnel policies and procedures. These guidelines and codes are prepared and adopted pursuant to federal and state statutes. A copy of the personnel policies and procedures is maintained by the manager of the aging division and by the Council's Employee Relations Office.

# **FINANCIAL MANAGEMENT**

## **GENERAL DESCRIPTION OF MAAA FISCAL RESPONSIBILITIES AND INTERNAL CONTROLS**

Fiscal management is a joint responsibility of the aging division and the Council's finance division. The separation of budgeting, monitoring, accounting, reporting, and purchasing functions between these units constitutes a system of internal control for all MAAA financial management activities.

The distribution of responsibilities among these units is described as each of the functions is discussed. In the following discussion, it should be understood that the aging division operates within the general administrative policies and procedures as defined in the Council's Administrative Manual. Copies of the manual are maintained by the aging division (MAAA) manager and the finance division.

### **Budgeting**

The aging division operates under two different but compatible budget systems; the Council's agency-wide work program and budget, and the budget contained in the federally-required Area Plan for Programs on Aging. Both budgets are prepared on a calendar-year basis.

Preparation of both budgets is a responsibility of the aging division. The Council Work Program and Budget and the Area Plan is reviewed and adopted through a process involving the Advisory Committee on Aging, the Metropolitan and Community Development Committee of the Council, the Management Committee of the Council, the full Council and the MBA.

The aging division likewise operates under two different monitoring systems, one which is part of the Council's agency-wide monitoring and reporting system, and the other which is required for the MBA's monitoring of the Area Plan.

Monthly and quarterly financial statements allow for periodic reporting of actual expenditures compared to budget as well as progress on work program objectives. Council budget monitoring activities and budget revisions are the joint responsibility of the aging and finance divisions. Area Plan administrative budget revisions are a responsibility of the aging division.

### **Signature Authority**

The aging division manager is the authorized signature for Notice of Grant Awards, Request for Payment, all reports to the MBA--the state unit on aging to which the division reports--and the Area Plan.

### **Accounting Procedures**

Generally, disbursement authorization of both administrative and direct-service payments originates with the aging division, whereas the primary accounting controls (approval of authorizations, actual disbursements, and maintenance of official accounting records) are the responsibility of the finance division. However, the aging division maintains certain records related to grant payments. Finance records and aging division records are reconciled at least quarterly. All administrative funds are maintained on a calendar-year basis. Grant funds are maintained on a project-year basis.

## **Integrity of Funds**

Integrity of funds is ensured through the separation of each different revenue source and through the use of project codes for different MAAA administrative activities and direct-service grantees. This not only permits identifying all revenues by source but also matching expenses to the proper revenue source. In addition, line-item account codes provide for recording expenditures by type of expense.

## **Indirect Costs**

Direct costs represent expenditures attributable to a single program such as the aging division, whereas indirect costs are those incurred on behalf of more than one Council program. A more detailed definition is included in the Council's cost allocation manual, which is maintained by the finance division.

The Council uses a cost allocation system approved by the Council's oversight federal agency. Until 1990, the oversight agency was the Federal Highway Administration (FHWA). In 1992, the Council was notified that, beginning in 1990, the oversight agency would be changed to the Department of Housing and Urban Development (HUD). HUD will approve all changes to the cost allocation plan for the years after 1989.

The Council's indirect costs include the executive director office, administrative director, information systems, office management, finance, employee relations, publications, the library and the community services director office. Direct program labor costs serve as the basis for allocation of all indirect costs. An experience rate based on actual indirect costs from the previous year is used for budgeting purposes. For accounting, reporting and invoicing, the allocation system calculates actual indirect costs each month.

## **Maintenance of Accounting Records**

The Council's accounting system accounts for obligations and expenditures for all MAAA administrative activities and for each grant. The aging division maintains detailed records of obligations and expenditures for all grants. Council fiscal (accounting, procurement, property management, etc.) policies and procedures are maintained by the finance division.

The accounting system reflects all receipts and expenditures on a current basis. Each accounting entry in the basic accounting records includes a reference to the appropriate supporting documentation. This documentation which includes purchase orders, deposit slips, receipt, invoices, cancelled checks, etc., is maintained by the finance division.

Individual payroll records showing time and attendance, earnings and withholding are maintained for all staff. Changes in compensation rate are support by documentation and included in each employee's personnel files. Data used to compute compensation is reviewed each pay period.

## **Basis of Accounting**

Revenues and expenses are recorded on a modified accrual basis.

## **RECEIPTS AND DISBURSEMENTS**

### **Basic Controlling Documents**

The Council's general ledger is the primary control document. It contains a record of the Council's receipts and expenditures for all funds. The general ledger and other supporting records (cash receipt journals, accounts payable ledger, cash disbursements journal, payroll registers, financial reports, among others) are prepared and maintained by the Council's finance division.

### **Checking Account**

Receipts are deposited directly in the Council's demand bank account (checking account). Upon proper approval and documentation, expenses are disbursed out of the Council's checking account. Checks are pre-numbered and safeguarded in a controlled-access file.

Bank accounts are reconciled on a monthly basis. Reconciliations are performed by employees other than those who handle incoming cash or who process disbursements. Supporting materials, such as deposit slips, invoices, and cancelled checks are retained. Voided checks are also retained.

### **Bonding**

All employees who have cash handling responsibilities are bonded.

### **Receipts**

All revenues are promptly recorded and deposited daily. Records of deposit are obtained from the bank and filed. A daily receipts log which agrees with the day's bank deposit record is maintained.

### **Disbursements**

Invoices, bills and other such primary records are routinely recomputed to confirm arithmetical accuracy and conformity to purchase-order or contract specifications. Finance division staff also verify that payments are within award levels and have been properly authorized.

Expenditures are reviewed and recommended for payment by the aging division. Checks are signed by the Council chair and executive director as authorized by the Council, after finance staff have verified that the vouchers are audited for payment. Appropriate supporting documents are available for review in the finance division and are cancelled or otherwise marked to prevent duplication of payments.

All checks for expenditures are recorded in the accounts payable register in numerical sequence on the date the check is drawn.

## **REPORTING AND RECORD-KEEPING**

Reporting is a shared responsibility between the aging division and the finance division. The finance division prepares Council and MBA-required equivalent financial reports. Payment requests involving the MAAA administrative grant and all other financial and non-financial reports and direct-service payment requests are prepared by the aging division and approved for fund availability by the finance division. Record-keeping is a shared responsibility between the aging division and the administration department. The official accounting records are maintained in the finance division.

### **General Requirements**

Financial records, supporting documents, statistical records and any other reports, documents, or material pertinent to the operation of the aging division are retained for at least three years in accordance with the requirements of OMB Circular A-102. Such records include the following:

- Receipts;
- Cancelled checks;
- Bank statements;
- Vouchers;
- Purchase records;
- Property records;
- Payroll and personnel files;
- Ledgers and journals;
- Program reports and plan components;
- Fiscal reports from plan components;
- Data on consumption of services;
- MAAA program reports to the MBA;
- MAAA fiscal reports to the MBA;
- Area Plan;
- Records relating to the award and receipt of all grants to and by the aging division;
- Any other material pertinent to the grant-related activities of the aging division.

### **Exceptions**

Any and all records dating from a fiscal period which have not been subject to a complete and satisfactorily resolved audit are retained until such an audit is performed and resolved.

### **Access to Records**

The records of the aging division are public and are available for public inspections, reproduction and/or transcription during normal working hours. Public access, however, may be limited in exceptional circumstances in order to prevent:

- An unwarranted invasion of personal privacy;
- Disclosure of financial or commercial information that was acquired explicitly on a confidential basis; or
- The exploitation of information for personal gain.

## **PROCUREMENT**

As a general rule, purchasing is a joint responsibility of the aging division and the administration department. The aging division is responsible for requesting and authorizing purchases. The administration department, through the purchasing officer, controller, affirmative action officer, and director of administration is responsible for the final approval for carrying out the various steps involved in implementing a purchase authorization. Procurement policies and procedures are documented in the administrative procedures manual maintained by the finance division.

### **Bid Process**

Competitive bidding is the preferred method of purchase for all Council procurement activities. All proposed purchases are initiated by preparation of a purchase requisition. Following a determination of funding availability and an estimation of the cost of the purchase, a vendor is sought through either formal bidding, informal bidding, or direct negotiation, depending on the estimated cost.

Selection of a vendor is made based on considerations of both quality and cost. Upon selection of a vendor, a purchase order is prepared and signed by the purchasing officer and the finance manager.

### **Safeguards**

Safeguards are provided through an appropriate separation of functions related to authorization, execution, and receipt of purchases.

### **Minority Business**

It is Council policy to provide equal economic opportunity in the procurement of all goods and services, and to take affirmative action to increase the participation of minority business enterprises in the bidding process and in the receipt of contracts.

## **PROPERTY MANAGEMENT**

### **Records**

Property records are retained for all real and non-expendable tangible personal property. The inventory is maintained on the Council's financial system and includes:

- A description of the property;
- Manufacturer's serial number or other identification;
- Acquisition date and cost;
- Location of the property;
- Ultimate disposition data.

### **Inventory Control**

All inventory items have an identification tag attached. The tag has a number that identifies it to an item in the computerized inventory listing.

A physical inventory is taken approximately annually and spot checks are made more frequently. The state auditor's office audits the inventory records each year.

## **Insurance**

The Council's inventory is insured against casualty loss. The insurance policies are obtained and maintained by the finance division.

## **Audit**

In accordance with state law, the Council is audited annually by the State Auditor's office under the "single audit concept."

Under federal regulation, once the Council's lead federal agency has approved the Council's annual report and audit as complying with "single audit concept" requirements, the necessary reports are distributed to all federal grantor agencies by the lead federal agency. The Council's finance division distributes those reports to all state grantor agencies.

# **ROLES AND RESPONSIBILITIES**

## **ADVISORY COMMITTEE ON AGING**

The Council Area Agency on Aging's Advisory Committee on Aging (ACoA) was established in 1973 to identify major problems and issues which must be addressed in regional planning for older adults; hold public meetings to obtain community input into the identification of needs, report to the Council on MAAA efforts as well as issues, policies and programs affecting older adults; review and/or recommend to the Council ideas for work objectives; review and recommend to the Council action on OAA grant applications; review and comment on other plans and proposals as appropriate and designate focal points.

The Advisory Committee is composed of 24 members and a Chair, appointed by the Council. In accordance with Council policy, federal law and committee bylaws, the committee must include one representative from each of the 16 Council districts; eight at-large members, including older persons with greatest economic or social need; OAA program participants; local elected officials; service providers and consumers; and representatives of the general public. More than 50 percent of members must be 60 years of age or older.

Advisory Committee meetings are generally held monthly, are open to the public and a record of the meeting is kept by the aging division. Standing subcommittees and task forces are established as needed. Annually, the advisory committee conducts a self-assessment and evaluation of the operation of the committee. (Advisory Committee bylaws, which guide operation of the committee and include a conflict of interest policy, are included as Appendix 3.)

## **PLANNING**

The OAA requires an area agency on aging to carry out a process of continuous planning on behalf of older adults. The purpose of this planning is to identify the numbers and locations of older people in need of services, evaluate the adequacy and effectiveness of existing efforts or resources to serve this population, and develop better ways to provide needed services. This planning results in policies, priorities, objectives and programs to better serve the older population of the seven county metro area.

## **NEEDS ASSESSMENTS**

During the late 1970s and early 1980s, the needs of older adults in each of the seven counties were assessed through comprehensive studies, which were the basis for the development of county "service delivery plans." The county service delivery plans were used as a guide for specific planning efforts and the allocation of OAA grant funds. The plans also provided direction to local public, private agencies and local units of government. In 1992 and 1993, the MAAA is conducting a regional needs assessment and developing a regional plan for services, which will guide the future (1995 and beyond) development, coordination and implementation of services in each county and the region. These studies have followed the process outlined below:

- Hold public discussion regarding the process;
- Identify and estimate the need for services among the elderly;
- Identify and analyze the resources available to meet these needs;
- Identify problems and issues related to providing these services;
- Prepare a description of the current systems which includes the information noted above;

- Hold public discussion about the current system;
- Describe various alternative models for how the particular services could be better organized and provided;
- Hold public discussion on these models;
- Develop a plan for how the services should be organized, provided and funded.

## **SPECIAL STUDIES**

The MAAA also conducts special studies as the need for such research arises. Prior special study topics have included analysis of census data, evaluation of the "coordinated model" of service delivery, the needs of minority elders, nutrition services in the region, the needs of suburban elderly and periodic updates of the needs and resources of older people.

## **AREA PLAN DEVELOPMENT AND REVISION**

Area Agencies are required by federal law to develop an "Area Plan", which includes, at a minimum, objectives for planning, advocacy, developing and coordinating services and grant-making activities for a multi-year time period. The Area Plan is submitted to the State Unit on Aging (MBA). Once adopted, the plan serves as the contract with the state under which the OAA funding is awarded. It also serves as the work plan for the MAAA.

In preparation of an Area Plan, OAA funding priorities and allocations are established and the work objectives of the MAAA are developed. This involves soliciting ideas from seniors, grantees, service providers, the general public, ACoA and aging division staff. From these discussions, an Area Plan draft is prepared and additional public comment is sought. Subsequent to public comment, appropriate revisions in the Area Plan are made, it is reviewed by Council management and submitted through the Council Budget Process. Once the Council holds a public hearing on its Work Plan and Budget, and it is approved by the Council, the Area Plan is revised as necessary and submitted to the MBA for final approval. Area plan amendments are prepared as needed and are approved through a process that involves the ACoA, Council and the MBA.

## **COORDINATION AND DEVELOPMENT**

In order to develop a comprehensive and coordinated system of service delivery, the MAAA coordinates its efforts with other planning organizations, municipalities, counties, United Ways, foundations and other public and private organizations serving older adults. Coordination and development activities include:

- Encouraging and facilitating the pooling of available resources in the region;
- Facilitating the exchange of information and coordinating existing services and systems;
- Supporting and assisting the aging network in the development of current and future services;
- Developing new programs, services or projects;
- Providing public information, education and awareness activities that enhance access to and use of community services,
- Providing coalition building and technical assistance to local governments, numerous social, health, housing, transportation organizations.

## **INFORMATION AND REFERRAL**

Since 1975, the MAAA has had an adopted information and referral plan for the Metropolitan Area, which recommends both centralized and decentralized services. The MAAA strategy includes the development of an effective centralized information and referral service for the Metropolitan Area and the establishment and/or designation of decentralized local community focal points, or other organizations which are willing to take responsibility to provide (among other services) information and referral in their communities.

The two levels are described below:

The centralized information and referral component includes the following elements:

- A metropolitan-wide, systematically updated resource file used by the MAAA;
- Two central I&R offices, one in the west and one in the east metro area, both using the metropolitan resource file and each publicizing the state-wide, toll-free telephone number;
- Strong linkages between the two central offices and the MAAA and local information and referral points throughout the Metropolitan Area.

Information and referral components include:

- Provision of "face to face" information and referral, advocacy, or other designated organization within a particular local area;
- Use of the metropolitan resource file and reliance on the two central information and referral offices for back-up information.

This model is intended to provide efficient and reasonably convenient access to information and referral services for older persons and is used as a basis for further planning and development of specific services in each of the seven counties.

## **COMMUNITY FOCAL POINTS**

In order to facilitate access to services provided under the Area Plan and encourage the maximum coordination and co-location of services to older adults, the ACoA designates focal points at the community level. Designation of community focal points was accomplished as part of the service delivery studies completed in each metropolitan county. As part of each service delivery study, neighborhoods and communities were defined. The various sites providing services to the elderly in those areas were studied to determine which do or could offer a full range of services. In making the determination, the following factors were considered:

- Distribution in the population of older persons with the greatest economic or social need;
- Delivery pattern of services funded under the OAA and those funded from other sources;
- Location of multipurpose senior centers and congregate nutrition sites;
- Geographic boundaries of communities and natural neighborhoods;
- Location of facilities suitable for designation.

In each county service delivery plan, the ACoA discussed the criteria for designation of focal points with staff, sponsors and advisory committees of potential sites. If these discussions resulted in identifying a site that met or would meet the MAAA criteria for a focal point, the site was designated a focal point by the MAAA.

Some county service delivery plans identified communities that needed a focal point but where no agency or site had developed the necessary capacity to meet the established criteria. The communities were identified as "potential" locations for focal points. Following adoption of each county service delivery plan, MAAA staff met with service providers, potential sponsors and older adults in these communities to discuss the development of local focal points.

In designating community focal points, the Advisory Committee gave special consideration to multipurpose senior centers and assured that the facility currently or potentially could accommodate the co-location of services.

The MAAA assists in the development of service co-location at community focal points in the Metropolitan Area by:

- Establishing guidelines for operating schedules at focal points which are convenient for older persons in the community;
- Establishing guidelines for services that should be provided or coordinated at a focal point to be considered for designation;
- Assuring that community focal points have direct access to existing information and referral and emergency services programs;
- Encouraging service providers to co-locate their services at community focal points and coordinate with other services provided at focal points.

MAAA staff provide periodic reports to the ACoA on the status of the focal point network. ACoA action to add, change or delete a focal point site may be taken at any regular ACoA meeting. Notices of such meetings and proposed changes in designation are provided to the public. Specific policies concerning community focal points are included as Appendix 4.

## **TECHNICAL ASSISTANCE**

The MAAA provides assistance to grantees, focal points, social and health service providers, business, local agencies and other organizations in developing and coordinating programs for older adults, related issues and service delivery. Technical assistance is also provided to organizations that desire assistance in interpreting data, conducting local surveys or evaluation programs; and to organizations, groups and individuals needing general information on the needs of older adults and/or services available. The specific kind of technical assistance provided by the MAAA is determined by need, time availability and expertise of MAAA staff. In instances where the MAAA does not have the appropriate resources, expertise or time to provide assistance, a referral is made to another resource.

## **ADVOCACY**

The MAAA works to ensure that older adults receive the services and resources to which they are entitled, and that their rights are respected and preserved by:

- Representing the interests of older adults to public and private entities;
- Conducting public hearings or meetings on relevant policies and programs;
- Providing public information about the needs, concerns and interests of older people;
- Providing advocacy and technical assistance to support the implementation of recommendations and policies included in service delivery plans;
- Supporting the state administered long term care ombudsman programs;
- Coordinating planning and program development with other agencies and organizations;
- Reviewing and commenting on policies, procedures and programs developed by other organizations that affect older adults.

# **GRANT ADMINISTRATION**

## **INTRODUCTION**

The MAAA awards OAA funds for the development of new services and/or the maintenance, or the expansion of existing services when such awards will contribute to the development of a comprehensive and coordinated system of services for older adults. In the administration of this grant program, the MAAA follows all applicable policies and procedures as included and required by the OAA of 1965, as amended and other applicable regulations.

## **PRIORITIES**

The federal OAA allows for funding a broad range of services, but provides a relatively small amount of funding. The legislation requires that an MAAA spend an adequate proportion of (its Title III-B supportive service) allotment for in-home, access and legal services. In order to make the best possible use of the limited resources which are available, local funding priorities are established. These priorities are re-evaluated as needed to respond to changes in local needs. Applications for funding are accepted only for service categories in which OAA funds have been allocated. (see Appendix 5 for current year funding priorities.) In the event additional or supplemental funds become available in a grant year, such funds may be distributed at the discretion of the ACoA as approved by the Council.

## **STRATEGY FOR THE USE OF OAA FUNDS**

The MAAA, as the designated MAAA for the Metropolitan Area is charged with stimulating the development of a comprehensive and coordinated system of services for older people in the seven-county planning and service area. The following MAAA goals describe how OAA funds are used in this region.

### **1. Best use of existing resources:**

- Incorporating the "informal network" into the service design, using volunteers and other available local resources appropriately;
- Leveraging local support from local municipalities, foundations, school districts, civic groups, fund-raisers, etc., to increase funds available and create stronger local ownership of programs;
- Coordinating and complementing the existing "formal" service network--public, non-profit and for-profit.

### **2. Equitable access to services:**

- Enabling older people--whether they are rich or poor--to find out about and obtain services in ways that are both physically and psychologically accessible;
- Assuring equitable distribution of services in each community and throughout the Metropolitan Area;
- Use of least restrictive environment, supporting individual preferences with flexibility.

### 3. Responding to need for services:

- Specific targeting of services to underserved populations--not adequately covered by other funders;
- Filling gaps in the service system where there is a significant documented "unmet need;"
- Using OAA funds as a "triage" to support those persons who need just a little additional help to remain independent and to prevent crises from happening and "mainstreaming" older adults with special needs where feasible.

Although the OAA grant program is designed to meet the needs of anyone 60 years of age or older, the OAA places a priority on serving older persons with the greatest social and economic needs, with particular attention to low-income, minority and non-English speaking individuals. As a result, OAA applicants and grantees are expected to design and target their services toward these groups.

OAA funded programs are also expected to provide their older clients with an opportunity to contribute toward the cost of services in a way which allows these clients to determine the amount of their contributions, if any.

### **Grant Period and Matching Requirements**

OAA funds are traditionally granted for a period of one year--on the calendar year--and decisions to continue funding are made on a year-by-year basis; however, multi-year grants may be awarded.

Eighty-five percent of project costs must be paid with federal funds during the first year of OAA funds, with 75 percent federal participation the second year, and 50 percent the third and any subsequent years. A local match of 15 percent, 25 percent and 50 percent is required for the first, second and third or additional year, respectively. (Nutrition projects are funded at a constant ratio of 85 percent federal, 15 percent matching ratio.)

The location and securing of local funds for match and for long-term support of time-limited projects is part of the grantee agency's responsibility in requesting and receiving OAA funding.

### **Maintenance of Effort Requirement**

OAA funds may not be used to replace funds from sources (i.e., funds supporting existing staff or other agency costs). This maintenance of effort requirement applies to both the federal share and match portions of a program for the entire grant period. This means that services to the older population, similar to those proposed in the OAA application, provided prior to the receipt of an OAA grant must be maintained through funding other than the OAA.

### **Service Definitions and Policies**

All services funded under the Area Plan must meet the service definitions and standards prescribed by the MBA. The definitions were developed to provide a common language for describing services provided by OAA projects throughout the state of Minnesota and at the same time being broad enough to allow for appropriate variations among projects. (Appendix 6)

## **OAA SERVICE DELIVERY POLICIES**

### **Coordination Model: Home-Delivered Meals, Congregate Dining, Transportation, Chore Service and Information and Referral**

The Council has established policies to promote the development of an efficient and effective home-delivered meals, transportation, chore, information and referral system in the Metropolitan Area using OAA funds. The Council's policies specify that federal OAA funds are to be used to develop and maintain coordinated, local home-delivered meals, transportation, chore and information and referral systems through funding of certain "coordination" activities (e.g., training, help with volunteer recruitment, etc.) aimed at all existing programs and through development and maintenance, if necessary, of additional service in areas where existing programs and resources are not adequate to meet the need. To be efficient and yet manageable in terms of size of geographical area, numbers of programs and resources available, and number of people to be served, the local system and the organization which assumes responsibility for system coordination must cover at least one county.

The agency that assumes this coordination responsibility could be one with current responsibility for serving the geographic area; for example, the county welfare, human services, or public health nursing department; a local community action program or health department; or, there may be another agency or organization in a particular county that would be most appropriate to assume this coordination role, such as the United Way, a social service agency, or a hospital. The coordinating agency is responsible for the following activities for each county served:

#### **Planning Function**

- Identify current resources in the designated county, and determine the extent of unmet service need in identified sub-areas of that county;
- Achieve agreement on service areas and target group responsibilities through mutual negotiation among local providers;
- Develop approaches for filling service gaps based on the unique mix of needs and resources in each local community;
- Set up an appropriate mechanism (e.g. advisory committee, or informal group which reflects the interests of providers in the designated area) to guide the planning of other functions;
- Develop and maintain information resources for technical assistance and for guidance to local providers.

#### **Development Function**

- In areas where service resources are adequate; provide technical assistance, as needed to all identified meals, transportation, chore or information and referral programs to stabilize both their funding and their organization, to increase participation of informal and volunteer resources, to improve service delivery methods, to expand or focus service area and/or target population, to arrange education and training opportunities to help improve administrative efficiency;
- In areas where some local resources are available, but are not adequate; help to stabilize existing funding and organization and provide technical assistance to help expand service capacity with new local resources. If, in spite of these efforts, it is determined that local resources are insufficient, it may be necessary to use funds to pay for the expansion of services or for other capacity-building purposes;

- In areas where no local programs exist; identify local persons who agree to take the responsibility for organizing and providing needed services, and provide them with technical assistance as necessary to develop a local program. If no potential sponsors can be identified, it may be necessary to arrange to have needed services provided through a subcontract or purchase of service agreement with a program from another area--to have them extend their service area to include the underserved area. (Appendix 10)

### **Maintenance Function**

- Provide ongoing monitoring of service needs and resource distribution throughout the county and in each identified subarea;
- Provide support for the development of strong working relationships between the programs in that county and the community agencies serving the elderly, such as other OAA projects, public health nursing, county human services, hospitals, homemaker services, chore services, and food stamp offices, to enable the programs to provide outreach and information regarding their services and assure that their clients' needs for other services are met;
- Provide support for continued interaction/communication among local programs to mutually determine appropriate responses to changing needs and resources in each local community (a continuation of activities described under planning function);
- Provide continued technical assistance to local programs for joint training, volunteer recruitment, bookkeeping, insurance coverage, standardization of service procedures (e.g., intake and assessment, follow-up, referral and termination procedures), recordkeeping, and purchasing in accordance with economies of scale;
- Provide advocacy for programs in the area, including efforts to secure funding; and provide them with outreach and publicity for their services when resources are limited;
- Provide support to local program coordinators and board chairs to help them deal more effectively with problems, concerns, crises, etc.;
- Provide a directory of programs for distribution to public health nurses, hospital social workers, social service agencies, etc. in the service area.

### **Direct Service Provision By Coordinating Agency**

The coordination agency would not itself take responsibility for providing services, except under unusual circumstances; for example, where it could show that no local program was able to provide the service and the only way to provide service was through developing and operating its own local program. The coordination agency would then include in its grant application:

- Documentation of the need for service in the area;
- Documentation of significant efforts made to secure private sponsorship for the program;
- If there are existing programs operating in the area, a letter from them indicating they are unable to serve the local area and indicating their willingness to work with a new program or, if the coordination agency is unable to secure such a letter, evidence of significant efforts to secure a letter;

- Documentation of arrangements to provide service out of an existing program using the coordinator, if possible, to coordinate the program, rather than setting up a program with new staff.

## **Nutrition Service Delivery Policies**

In accordance with Sec. 307 of the OAA, the MAAA awards funds as available to provide meals and other nutrition services including outreach and nutrition education to older persons. Each program must operate at least five days per week and provide meals as specified in the OAA, MBA and MAAA nutrition policies. (Appendix 14)

### **Menus and Meal Standards**

Menus must be planned on a cycle basis for a minimum period of five weeks. Cycle menus and special menus must be planned and/or approved by a Registered Dietitian or Nutritionist qualified by equivalent training and experience in food service management.

Meals must provide at least one-third of the Recommended Dietary Allowance as established by the Food and Nutrition Board of the National Academy of Sciences-National Research Council. All meal providers must abide by the Required Meal Pattern. (Each group or its alternate makes a special contribution toward the required one-third of the Recommended Dietary Allowance.) If more than one meal is served daily, each meal must contain at least one-third of the RDAs for older persons.

Liquid nutrition supplements may be used for individuals with special diet requirements (e.g., tube-fed clients), when feasible and appropriate. The liquid supplement chosen and amount dispensed must supply the individual with one-third of the RDAs.

### **Special Menus**

At a minimum diabetic and low-sodium meals shall be available. Low-fat meals are recommended. The project shall determine the calorie and sodium levels that will be offered and provide appropriate instructions to food preparation sites and caterers. Substitutes for the high sugar and sodium items on the regular menus must be available. Information describing modified diets must be accessible for referring agencies. A physician's diet order may be required and shall be renewed as agreed upon with the physician.

### **Food Procurement**

All food procurement must be transacted in accordance with federal, state and MAAA policies. All goods privately contributed to the project must meet those standards of quality, sanitation and safety that apply to foods that are purchased commercially by the project.

Foods prepared or canned in the home may not be used in meals provided by the nutrition service providers. Foods that are uncooked and donated by participants may be used and may also be prepared for freezing at the sites for future use.

### **Sanitation Practices**

All service providers must adhere to state or local Board of Health Requirements for Food and Beverage Establishments and be subject to review by the Health Department Sanitarians. Exceptions to these regulations must be approved by the State Board of Health in writing.

Food temperatures at the time of service and at the time of delivery must be 150 degrees fahrenheit for hot foods and 40 degrees fahrenheit for perishable cold foods. (140 degrees fahrenheit is acceptable for home-delivery routes of 45 minutes or less.)

Nutrition programs must utilize temperature probes for checking food temperatures. In addition, refrigerators and freezers located at food preparation and service site must have thermometers.

### **Licenses**

All nutrition services' preparation sites must be licensed and serving sites must be approved by the state and local Boards of Health.

### **USDA Food Assistance Programs**

All OAA nutrition grantees must request reimbursement from the United States Department of Agriculture for meals serviced to eligible participants through the MAAA and MBA. A reliable reporting system must be in place to assure accurate recording of USDA eligible meals.

### **Subcontracts**

Where meals, services, use of space, or equipment are purchased by the nutrition service providers, there must be a written contract between the provider and the vendor. Services which may be provided through contracts would include the procurement, storage, preparation, cooking, distribution and serving of meals, dishwashing and cleaning of the facilities, use of space or equipment and consultation. The MAAA shall review, approve and maintain a copy of all contracts and contract amendments entered into by the provider. The contract duration may not exceed the duration of the grant period. (Appendix 10)

Catering contracts must fix the price structure for all meals, service and other supplies. Catering contracts must also allow the nutrition service provider to supply or approve the menus and monitor vendor operations to determine that the meals conform to the requirements of the project as specified in the contract. Contracts must also specify that the vendor will:

- Cooperate with the provider in maintaining controls on the cost of the food purchased;
- Purchase and use in quantities as large as may be appropriate for those foods available from the U.S. Department of Agriculture;
- Conform to all applicable state and local laws while maintaining proper sanitation and health standards in all aspects of food procurement, production, delivery and service;
- Maintain proper records relating to food inventory control of purchased foods.

### **Other Requirements**

- All nutrition service providers must establish ongoing outreach services to assure that the maximum number of low-income, hard-to-reach, isolated, and withdrawn older people have the opportunity to participate, including older minorities, hearing-impaired and visually-impaired older people;
- All nutrition service providers must establish and carry out a systematic program of nutrition education;

- Meal providers must establish methods for provision and/or referral to other supportive services such as transportation, in-home services and housing assistance;
- State funds for nutrition can only be used for meal costs and must expand the number of persons served using year-ending 1988 as a baseline;
- Each person requesting home-delivered meal must be "assessed" prior to or within ten working days after the beginning of meal delivery for his/her need for home-delivered meals and other supportive services. Reassessment shall occur as needed, but at least annually;
- Each congregate nutrition site must post in a conspicuous location, the cost of each meal and a suggested contribution. All eligible participants must be given the opportunity to contribute toward the cost of the meal. Each grantee must establish procedures to provide for confidentiality, use of food stamps, daily accounting, and secure depository of contributions. Noneligible guests must pay the total cost of the meal;
- Each grantee must make provision for periodically obtaining the advice of persons competent in the field of nutrition, older individuals who are participants, and persons knowledgeable in the needs of the elderly relative to effective delivery of service;
- Pursuant to MBA regulations, the MAAA shall make meal site visits as part of its monitoring responsibility and no less than one-third of congregate meal sites shall be done each year and write-ups shared with the grantee;
- Congregate sites will serve meals a minimum of five days per week and serve a minimum average of 20 eligible persons per day (over a year) based upon the previous year's performance;
- The project will assure, in writing, to the MAAA that approval or rejection of new meal sites is based on documented demographic evidence relative to the proposed targeted community containing the greatest number of socially or economically disadvantaged persons age 60 and over. Economic data is to be based on income levels at or below the poverty threshold established by the U.S. Census Bureau;
- The MAAA must give final written approval for the opening of new or relocated meal sites. The MAAA may require an existing nutrition site to be relocated following a review with nutrition projects of the latest census data to determine whether existing nutrition sites are still located in communities containing the greatest number of socially or economically disadvantage older persons.

### **Closing of Meal Sites and Correction of Violations**

The local public health department is responsible for determining when a meal site or kitchen is to be closed based on its criteria contained in inspection reports. The nutrition project director must work with the Health Department and caterer or meal site to rectify any violations leading to a closing. The nutrition project director must submit to the MAAA on aging a written corrective action plan within five (5) working days from the time of closing. The plan will outline the steps to taken within thirty (30) days, or the timeframe established by the Health Department, to correct the violations and receive another inspection report from the Health Department. The MAAA may withhold funds from the nutrition project for that portion of the program associated with the closed site or kitchen.

While an MAAA cannot close a site or kitchen due to inspection reports, it can elect to withhold funds for that portion of a nutrition project receiving a poor inspection report from the Health Department. The MAAA must give final approval if a meal site is to be permanently closed. The following procedure must be followed:

- The MAAA is to determine if the nutrition project request to permanently close a meal site is justified and properly documented. Determination must be based on demographics, the project having exhausted all options for keeping the site open, or relocated, to serve the same targeted population if demographic data supports continued need for a site in that community and cost effectiveness of the site;
- If site closing is approved, the MAAA must assure that the site participants receive at least a one-month notice and efforts are made to transport the participants to another site.

### **Information and Referral Service Policies**

Information and Referral (I&R) projects funded by the MAAA shall:

- Coordinate their efforts with MAAA, state and federal information and referral initiatives;
- Develop and maintain an up-to-date, accurate, computerized resource file for senior services in the service area. The First Call for Help resource file and other existing local information and directories should be used as the basis for information for development of the resource file;
- Distribute the information in the central resource file in various forms including directories, microfiche and/or computer software packages to other agencies in the service area as requested;
- Develop effective working relationships with the MAAA and between other I&R providers, particularly the community focal points and organizations serving target populations within the general older population, to provide information and "back-up" services to other providers as well as keep track of changes in services for updating the central resource file;
- Provide training to I&R staff and/or volunteers at the central and local levels as needed about senior services and about how to assist seniors and family members who call for information;
- Maintain a high visibility of I&R services by regularly publicizing the I&R number through local media and senior publications, through contacts with agencies and community groups and other available resources;
- Use trained staff and/or volunteers to answer information requests at least during working hours five days per week; have extended-hour answering capacity at the coordinating agency or ensure the provision of such service through referrals to another provider; provide TDD service for the deaf;
- Answer telephone requests for information about senior services; assess needs of the caller; explain the senior service system as needed to assist callers; provide accurate information to answer caller requests and make available information to older persons in languages other than English and to those individuals with hearing or vision impairments.

## **Legal/Paralegal Services Service Policies**

OAA funds are used to provide legal and paralegal services, including class action and legal education, to achieve the greatest impact for seniors in the region. (Where legal education represents a significant portion of the project, separate reporting is required).

Grants to legal assistance providers shall include provisions that:

- A provider may ask about the person's financial circumstances as a part of the process of providing legal advice, counseling and representation, or for the purpose of identifying additional resources and benefits for which an older person may be eligible, or to meet MBA requirements for reporting on client characteristics; but a provider may not require an older person to disclose information about income or resources as a condition for providing legal assistance.
- The provider will set priorities for case acceptance to target legal assistance to those older persons in the greatest social and economic need, with particular attention to low-income minority individuals.
- The provider will coordinate advocacy activities with the local office of the long-term care ombudsman program.
- The provider will have such office hours and outreach sites, and will be available to make home visits, as necessary to make legal assistance reasonably accessible to all older persons in the provider's area.

## **Special Access Outreach Policies Service Policies**

OAA funds for special access outreach are used to assist American Indian, Asian/Pacific Islander, African-American, Latin-American/Hispanic elders and other Non-English speaking populations, to become aware of and gain access to services and benefits of the general aging service delivery system. Priority is placed on serving low-income minority elders.

## **In-Home Respite Care Service Policies**

For the purposes of the OAA, respite care (relief for families caring for impaired older adults) should be provided in the home through a volunteer service model. Volunteers must receive adequate training from an appropriate professional to prepare them for providing respite care. OAA funds may be used to cover the costs associated with developing and maintaining a network of volunteers to provide the service. OAA funds may not be used to cover the costs of paid employees or independent contractors.

## **MAKING APPLICATION FOR OLDER AMERICANS ACT FUNDS**

In order to receive OAA funding, funds for a service must first be included in the budget of the "Area Plan for Aging" of the MAAA. A detailed application must be prepared and submitted to the MAAA by the specified application deadline on an official application form prescribed by the MAAA in order to receive consideration for funding. Services for which funding is requested must conform to service definitions developed by the MBA for use by all OAA applicants and grantees throughout the State of Minnesota. Proposed projects should also be consistent with funding policies.

One review cycle is conducted each year with proposals submitted to the MAAA by a date set and announced by the MAAA for funding beginning January 1 of the next year (Additional review cycles may be implemented under special circumstances, e.g., additional funding). Technical assistance for making application is available from the staff of the Council's Division of Aging. Persons interested in applying for funds are strongly encouraged to discuss their programs with grants staff prior to submitting an application. A minimum grant request of \$10,000 is required.

Under the OAA and regulations, the Council may award grants to or enter into contracts with public or private non-profit agencies, or contracts with profit-making organizations to carry out the purposes of the OAA and other authorizing legislation.

For an organization to be considered as a grantee, the charter must indicate that the purpose is consistent with the service(s) to be funded. No funds may be used directly or indirectly for lobbying. Furthermore, grant recipients must sign a lobbying certification and in the case of grants that exceed \$100,000 file a disclosure form. (Eligibility criteria shall be determined in accordance with Sec. 307(A) 13(A)(I) of OAA and the 45 CFR 1321.) **Funds can only be used for services to the population age 60 and over.**

### **Criteria for evaluating OAA Funding Requests**

The prospective applicant's abilities to undertake and carry through an OAA funded project is assessed according to the following criteria:

#### **Extent of the Need of the Service**

##### **Program Characteristics**

- Appropriateness of the programs objectives for meeting the indicated needs;
- Appropriateness and demonstrated need of the proposed target group(s);
- Effectiveness of the applicant's method of reach the target population(s);
- Appropriateness of service delivery method(s) for meeting the identified needs;
- If more than one service is requested, the appropriateness of the combination of services;
- Effectiveness of the applicant's plan for coordinating project services for clients receiving more than one service;
- Amount of service to be provided;
- Appropriateness of the contribution method;
- Extent the project realized its objectives during the grant year;
- Consistency with adopted priorities and service delivery policies.

## Administrative and Financial Operations

- Extent to which any previous OAA program has continued after the termination of funds;
- Accuracy and timeliness of any past reporting for OAA funds;
- Extent and appropriateness of any change in the project's method of operation during the grant year;
- Capability to maintain adequate financial and recordkeeping and reporting systems to meet federal, state and regional requirements;
- Appropriateness of the applicant's plan for securing financial support after the termination of OAA support;
- Indication and extent of any questioned costs on agency audits;
- Effectiveness of the project's internal controls;
- Appropriateness and promptness of response to any audit recommendations.

## General Project Information

- Appropriateness and continuity of the staffing and supervision of the project;
- Extent of involvement by older persons in the planning and operation of the program;
- Applicant's commitment to any "maintenance of effort" requirement;
- Compliance with federal regulations concerning: program accessibility for the handicapped; persons with visual or communication impairment; civil rights and affirmative action and equal employment opportunity compliance.

Experience and appropriateness of the applicant agency.

## **GENERAL RESPONSIBILITIES OF GRANT RECIPIENTS**

### **Applicable Laws and Regulations**

In addition to the Rehabilitation Act and the Americans with Disabilities Act, all OAA grantees must comply with the requirements of the OAA and related regulations and guidelines; with applicable Office of Management and Budget requirements relating to the use of funds, operation of the program, and maintenance of records; with all other applicable federal laws and regulations; with policies of the U.S. Department of Health and Human Services; with all applicable state and local laws; with MBA policy and procedures; and with the MAAA policies and procedures.

### **Program Accessibility**

Section 504 of the Rehabilitation Act of 1973 requires that "all recipients of federal funds, whether in the form of a grant or a contract, review, and if necessary, modify their programs and activities so that discrimination based on handicap is eliminated."

All OAA programs shall be accessible to the handicapped and comply with the Rehabilitation Act of 1973 and Americans with Disabilities Act of 1990. Grantees must document how program accessibility for handicapped persons is assured in each location where service is provided. Grantees establishing services in new locations must assure that the program is accessible to the handicapped prior to implementing service. Where OAA programs are operational and these services are in facilities which require structural changes in order to assure program accessibility to the handicapped, grantees must make changes as soon as possible.

Program accessibility may be achieved by a variety of methods. Careful consideration must be given to selecting the best method for the specific service in each local situation. Where there is more than one option in the decision-making process, the option selected for implementation shall be the one that will result in the "most integrated setting appropriate" for handicapped persons.

The following methods have been suggested for achieving accessibility. In some situations more than one method will need to be employed. Methods that may be used include:

- Assignment of aides to persons with disabilities;
- Redesign of equipment;
- Delivery of the service at an alternate facility;
- Delivery of the service in the home;
- Alteration of the facility to remove barriers;
- Construction of new facilities.

The way in which each OAA project is made accessible should be reflected in the grant application. The MAAA on Aging will monitor the project to ensure program accessibility.

### **Contribution for Services**

**All OAA service providers must:**

- Provide each older person with a free and voluntary opportunity to contribute to the cost of the service. It is expected that services that address an expressed need of a client and involve the provision of direct services (i.e., homemaker, chore/home maintenance, transportation, legal casework, home-delivered meals, congregate meals) will generate more income from contributions than those services conducted usually by telephone (e.g., information referral and advocacy);
- Protect the privacy of each older person with respect to his or her contribution;
- Provide information to clients on the full cost of the service; for nutrition projects, this is defined as the full cost of meal service delivery;
- For those services where contributions should be emphasized, a sliding contribution schedule should be used to suggest appropriate contribution amounts; each OAA applicant is responsible for developing an appropriate sliding contribution schedule, to be included in the grant application for review during the grant review process;
- Provide verbal communication on contribution policy to clients, both at the time of the older person's initial contact with the project (i.e., intake) and periodically thereafter. In addition, if clients come to the service, the contribution policy should also be posted. If the service goes to the client (i.e., in-home services), the contribution policy should also be given to clients in the form of printed information;
- Establish an appropriate collection method. Where contributions are encouraged and a sliding contribution schedule is used, grantees should give clients monthly or quarterly statement of services that specifies the hours and type of service provided and invites an appropriate contribution. A coupon or ticket system of collection may be used for those services (e.g., congregate nutrition and transportation) where a statement is not appropriate;

- Establish appropriate procedures to safeguard and account for all contributions;
- Use all contributions as program income to expand the services of the provider.

**OAA service providers may not:**

- Use a means test to determining eligibility for services;
- Deny any older person a service because the older person will not or cannot contribute to the cost of the service;
- Require payment of a fee or charge in order to receive service.

**Calculation of Service Cost**

The service (unit cost) is calculated by dividing the actual total service expenditures for the previous grant year by the total number of service units that year. New projects should use total service expenditures estimated in the project budget, divided by the estimated number of service units.

**Verbal and/or Written Communication on Contribution Policies**

In order for grantees to provide clients with verbal and/or written communication describing the project's contribution policy, various procedures may be followed. Particularly for projects expected to generate contributions, a project representative should discuss the project's contribution policy with the client regardless of whether the initial contact (intake) occurs through a personal interview or a phone conversation. Verbal communication on the contribution policy should be repeated periodically after the initial conversation as well.

In addition, if the service is offered at a location outside of the client's home, printed signs or posters should be displayed at the service site informing clients of the project's policy. The contributions policy should be described in appropriate written material for clients receiving services in their homes. For all types of projects, a brief description of the contribution policy should also be included in any brochures or other information materials developed and used by the project.

All communications to participants concerning contributions, whether written or verbal, should indicate that the person may contribute whatever amount he or she chooses, and that the person's contribution will enable the project to serve more people.

Words such as "fees," "charges," "owe," and "bill," as well as any other words implying obligation of payment on the part of the client are not appropriate for either verbal or written communications to clients about contributions.

**Use of a Contribution Schedule and Client Statement**

For services where contributions are actively invited and encouraged, i.e., homemaker, chore/home maintenance, legal counsel (casework), home delivered meals and congregate dining, the project should develop a sliding contribution schedule reflecting appropriate contribution amounts, up to the full cost of the service, based on clients' income and financial resources. Suggesting a set contribution amount based on the total cost of the service is the most feasible method for transportation projects.

When a contribution schedule is used, a project representative may explain its application to the client in a face-to-face interview (e.g., intake), but the client must still determine for himself/herself an appropriate donation amount based on the contribution schedule.

Except for congregate dining, projects using the contribution schedule procedure should use a collection method consisting of mailing (or delivering) to the client a monthly statement describing the service provided to the client and its cost. The description in the monthly statement of the project's service to the client should specify the number of service units provided and the service unit cost to the project. The statement should clearly indicate that it is not a bill; that the client may contribute voluntarily whatever amount he or she chooses; and that the client's voluntary contribution will enable the project to provide service to more clients. Even if the client has previously indicated a contribution amount he or she considers appropriate, the agency should include a copy of the contribution schedule in the monthly statement.

### **Use of a Set Contribution Rate**

When a set contribution rate is suggested (i.e., for transportation projects), a printed sign or poster should be displayed informing clients that they may contribute to the cost of the service and suggesting a fixed amount. Written material may also be sent or given to clients describing in greater detail the project's contribution policy.

The collection method for a suggested fixed donation amount customarily consists of the client's putting the contribution in an envelope, and then placing the envelope in a donation container or giving it to a designated project member.

### **No Set Contribution Rate**

For services where there is no set contribution rate or sliding scale, projects should nevertheless describe their contribution policy in any project brochures, display a printed sign or poster informing clients that they may contribute to the cost of the service, and provide a donation container to hold client contributions.

## **Compliance With Title VI of the Civil Rights Act of 1964**

All projects funded under the OAA, as amended, must comply with Title VI of the Civil Rights Act of 1964. This Act states that programs receiving federal funds must provide services, facilities, and benefits on a nondiscriminatory basis, for use of older people regardless of race, color, sex, religion, disability or national origin. Below are the specific responsibilities of the grantee:

The project will be subject to at least an annual on-site review by the MAAA to discuss compliance of the project with Title VI of the Civil Rights Act. At the time, the project Director will provide the following information:

- The potential number of elderly minority persons to be served;
- The actual number of elderly minority persons served;
- The racial/ethnic composition of the project staff;
- The racial/ethnic composition of the governing structure of the agency (board);
- The racial/ethnic composition of the project advisory council (if any).

In addition, the project will provide information which will enable the MAAA to evaluate the following:

- The effectiveness of the project in disseminating information to project participants regarding the Civil Rights Act;
- The effectiveness of the project's outreach efforts to potential participants of minority status.

## **Non-Discriminatory Practices of the Agency**

The grantee will not discriminate against participants of programs funded by the OAA. The services, facilities, and benefits of the program are for the use of all older people, regardless of race, color, gender, religion, disability or national origin.

The grantee must insure that all other programs administered by the agency are administered on a non-discriminatory basis.

Each grantee must; have means of communication with hearing impaired individuals; provide service availability information to the visually impaired, and have a means of communication with non-English and limited English speaking persons.

The grantee agency must insure that subcontracts comply with the Civil Rights Act of 1964. The grantee agency shall provide for specific outreach efforts to potential participants of minority status. Each grantee must have on hand a civil rights policy. The project will be responsible for informing project staff of their rights and responsibilities under Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act of 1973 and the American with Disabilities Act.

OAA funded projects will inform participants of their rights through the distribution of written materials. All project participants will receive this information when initially making contact with the project and on a periodic basis thereafter. The project will display in a conspicuous location a poster explaining the Civil Rights Complaint procedure.

## **Complaint Procedure**

The grantee will inform clients, participants, potential clients and participants, and other interested persons, of the fact that services, financial aid, and other benefits under the program are provided on a nondiscriminatory basis, as required by the Civil Rights Act, if they believe that discrimination on the grounds of race, color, or national origin is being practiced. This will be accomplished by:

- Written notice to all clients and to all applicants;
- Inclusion of appropriate explanatory statements in public information materials which will be made available to those individuals and groups which may be sources of referrals and applications.

All complaints concerning discrimination because of race, color, handicap, or national origin shall be filed in writing, shall describe the type of discrimination alleged, and shall indicate when and where such discrimination took place and describe any pertinent facts and circumstances surrounding the alleged discrimination. The complaint shall be signed by the person making it. All complaints shall be confidential. All complaints shall be addressed to the executive secretary of the MBA who will assign them for thorough investigation through established network (MAAA, grantee, etc.) channels. After the complaint has been looked into, the executive secretary shall determine whether or not discriminatory practice has been carried on; and if he/she determines that one has, he/she will take such actions as may be necessary to correct past practices and prevent the recurrence of such discrimination.

The complainant shall be advised in writing as to the findings of the State Agency regarding the complaint. If the complainant is not satisfied with the result of the State Agency's investigation, he/she may request an opportunity for a hearing before the State Agency at which time he/she may present any pertinent information for consideration.



## **Public Information**

All OAA grantees and subcontractors must identify the MAAA and MBA as a source of funding in all mass media coverage and public information efforts. This includes press releases, feature articles, radio or television coverage and any pamphlets, posters or public information flyers directly related to the project. The following phrase or words to the same effect should be included: "This project is made possible in part under the Older Americans Act through a grant from the Metropolitan Council Area Agency on Aging under an Area Plan approved by the Minnesota Board on Aging.

Any books, videos, slide shows, audio tapes, reports, pamphlets, papers or articles based on activities receiving support under OAA should contain an acknowledgement of that support, acknowledgement of the MAAA on Aging as the agency providing funds and acknowledgement of the MBA as the administering State Agency.

The Administration on Aging, MBA and the Council reserve the option to receive free of charge up to 12 copies of any publication published as a part of the grantee's operation and two copies of any publication based on such operations.

Where a grantee's activities result in a book or other copyrightable material, the author is free to obtain a copyright, but the Administration on Aging, MBA and the MAAA on Aging reserve a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use all such material.

## **FINANCIAL MANAGEMENT REQUIREMENTS**

The MAAA requires OAA grantees to meet minimum standards for the fiscal management of their OAA grant. Standards for grantee financial management systems are contained in OMB Circulars and CFR, Parts 74 and 92. (Appendices 11, 12; outline of basic accounting procedures) The grantee's fiscal management system should allow the OAA grantees to:

- Maintain a documented accounting system and internal controls that are adequate to safeguard assets, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed management policies and grant requirements;
- Maintain a documented accounting system that adequately identifies receipts and expenditures for the grant as opposed to those for non-assisted activities;
- Maintain a documented accounting system that provides for recording non-federal share contributions;
- Assemble the grant costs incurred by service or function in accordance with generally accepted accounting principles directly from accounting records;
- Comply with contractual and regulating requirements.

The OAA grantee's basic bookkeeping system must reflect all receipts and expenditures on a current basis. Non-federal funds generated in conjunction with OAA grants (contributions, donations, and project income) must flow through the same accounting system as the federal funds, but be separately identifiable.

Each entry in the grantee's basic books must refer to supporting documentation such as purchase orders, receipts, invoices, canceled checks, etc. Documentation should be maintained in well-organized and readily accessible files.

The grantee's accounting system must allow for the identification of the source of all funds. The accounting system must allow for identification of obligations and expenditures by line item, and for periodic comparison of actual expenditures against planned or budgeted expenditures.

## **Record Keeping**

Financial records, supporting documents, statistical records and any other reports, documents, or material pertinent to the OAA operations of the grantee must be retained for at least three years. Such records should include, but not be limited to: receipts, canceled checks, bank statements, vouchers, purchase records, payroll and personnel files, ledgers and journals, program reports and plan components, data on services provided, quarterly reports, approved grants, records relating to the receipt of OAA grants and any other grant-related materials.

Grantees are required to retain their records for longer than three years from fiscal periods which have not been subjected to a complete and satisfactorily resolved audit as such records must be retained until such an audit is performed and resolved.

## **Property**

Where a grantee has acquired non-expendable property with federal funds, the records relating to such property must be kept for at least three years after the final sale or disposition of the property.

Recipients of awards must maintain property records for all non-expendable, tangible personal property. At a minimum, such records must include:

- Description of the property;
- Manufacturer's serial number;
- Acquisition date and cost;
- Source of property;
- Percentage and fund source of OAA funds used in the acquisition;
- Location, use and condition of the property;
- Ultimate disposition data, including sale price or method used to determine current fair market value.

A physical inventory must be taken and the results reconciled to property records at least annually to verify the existence, current utilization and continued need for the property. Standards governing the use and disposition of federally financed property are contained in OMB Circulars and CFR, Parts 74 and 92. (See Appendices.)

## **Procurement**

Standards for procurement are contained in OMB Circulars and CFR, Parts 74 and 92.

## **Allowable Costs**

Costs applicable to a grant program may be considered either as direct or indirect costs by the grantee organization. In order to use an indirect cost rate in an OAA grant budget; the grantee must have both a cost allocation plan and an indirect cost rate approved by a cognizant federal agency.

Organizations having a cost-allocation plan but no federally approved indirect cost rate may request approval to use their cost allocation plan as a basis for budgeting and distributing certain costs under an OAA budget. The acceptability of such an allocation plan will be determined according to the cost allocation standards specified in OMB Circulars A-87 and any additional requirements included in the "Minnesota Board on Aging Manual of Policies and Procedures for Program Operations". (see Appendix 14)

Operations that have neither a federally approved indirect cost rate nor an acceptable cost allocation plan must show all OAA project costs as direct costs. Generally, costs must be necessary, reasonable and directly related to the grant. In addition, they must be legal, proper and consistent with the policies that govern the grantee's own expenditures. More specific rules for determining allowable costs are contained in OMB Circular A-87 for state and local government grantees and in OMB Circular A-122 for private non-profit organizations.

Projects may use either local cash or in-kind resources as match for OAA dollars; however, nutrition projects may not utilize state nutrition funds as match. Non-federal resources include any donations received by a project from non-participant individuals or public or private organizations, as long as they are not the result of the activities supported by the federal grant program. Participant contributions cannot be used as match.

Under certain circumstances, the Council may consider making an exception to the matching requirements on a case-by-case basis. Specifically, an exception to the matching requirements may be made when:

- The service is a high priority and implements a recommendation in an adopted service delivery plan;
- The program makes good use of existing resources;
- Local match for the service is not available; and/or
- The agency presents documented evidence of attempts to secure local match.

## **Project Income**

Program income represents gross income earned by a grantee from the organization's federally supported activities, including income from older persons' contributions for services received. All OAA project income must be properly accounted for and must be used to expand the services of the project or deducted from the total project costs in determining the net cost on which the federal share is based.

More specific standards for program income are included in OMB Circular A-102 for state and local government grantees and OMB Circular A-133 for private non-profit organizations. All of these standards are applicable except the provision for using income to finance the non-federal share of the project, which is specifically prohibited by MBA policy.

## **Report Forms**

The minimum reporting system required by the MAAA on Aging for OAA projects is composed of the following: (An explanation and the procedure for report forms is contained in Appendices 17 and 18.)

- Quarterly Financial Report;
- Quarterly Request for Payment;
- Quarterly Performance Report of Persons Served;
- Quarterly Narrative Report;
- Monthly and Quarterly U.S.D.A. Report (nutrition projects only).

## **Project Revisions**

Because grant awards are made based on specific proposals for service delivery, significant changes in project objectives, program content or service delivery require approval by the MAAA on Aging. Notification of such changes may be made by letter to aging staff with an explanation of the proposed change.

Whenever there is a substantial change in the fiscal management and/or service delivery of an approved project, a revision is required. The nature or extent of the change determines at which level the change must be approved.

When authorization for a grantee budget revision is required from the MAAA, the Budget Change Form must be submitted. The Budget Change Form is composed of three columns: the first shows the current approved budget for the project, the second identifies the changes desired by the grantee, and the third reflects the proposed budget after changes. The form also requires a justification of the changes requested. The grantee must also submit revised budget pages which reflect the proposed changes.

Following MAAA approval of the budget change, a revised Notification of Grant Award (NGA) will be issued by the Council. This must be signed by the grantee agency's authorized official and returned to the Council. The revised NGA supersedes any previously issued NGA and must be on file for audit purposes.

Requests for a budget revision must be made no later than November 1 of the project year. Budget revisions will not be accepted after that date. (Project change form and budget/program revision procedures are contained in Appendix 19.)

## **MONITORING AND ASSESSMENT**

Aging division staff monitor OAA funded projects on an ongoing basis and conducts at least one annual assessment of each grantee agency. Aging staff monitor OAA grants to observe:

- The quality of the program operations as measured against its approved grant application;
- The performance of the grantee in complying with the laws, federal regulations, and the Administration on Aging, the MBA and Council policies and procedures;
- The need for technical assistance in areas where there are apparent weaknesses or problems;
- Any areas requiring corrective action by the grantee.

## **Communications**

Communications (phone and correspondence) between aging staff and project staff provide an ongoing mechanism for monitoring OAA projects.

## **Special Reports**

Under certain conditions, aging staff and/or Advisory Committee members may request project staff to make a special report on the status of a project. Grantees may be asked to make a special report on:

- Questions or concerns the aging staff or Advisory Committee has about the quality of the program operations or the performance of the project;
- Corrective action requested by the aging staff and/or the Committee; or
- The grantee agency's progress in meeting conditions placed on the grant.

## **Site Assessments**

At least once a year, a site assessment is conducted of each OAA project by aging staff and/or Advisory Committee on Aging members. Assessments are conducted for the following purposes:

- To enable aging staff and Advisory Committee on Aging members to better understand the OAA project's overall purpose, method of operation, and client population;
- To gain specific information about the program which would not be available through other sources such as the written application or quarterly reports;
- To give grantees an opportunity to express their concerns, talk about problems, and request assistance if necessary;
- To provide general information on delivery of the various kinds of services and on delivery system problems, for use in developing future priorities and program recommendations;
- To evaluate the areas reviewed as part of monitoring activities.

The assessment usually takes from two to four hours, and includes an interview with the project director, review of records, and observation of service. Grantees will receive copies of the results of the assessment.

## **Pre-Audit Review**

The MAAA may conduct an on-site, "pre-audit review" of documentation for costs claimed at any time during the year.

During the pre-audit review, the grantee's accounting records will be reviewed to see whether:

- The quarterly reported figures can be documented;
- In-kind match exists and is reasonably valued;
- Appropriate invoices, time sheets, etc. exist to support charges;
- Accounting practices are implemented and documented and are in compliance with generally accepted accounting procedures and OMB circulars.

Inability of the grantee to provide adequate documentation for costs reported to the Council could result in further review and a delay in processing the grantee's payment request.

## **Project Audits**

All OAA grantees are required to include in their budgets adequate federal and/or non-federal funds for an independent audit. The arrangement for this independent audit is the responsibility of the grantee and must be conducted in accordance with generally accepted accounting standards, government auditing standards, the Catalog Federal Domestic Assistance (FDA) and OMB circulars. (see Appendices)

An audit of each grant period must be completed, and a report (three copies) forwarded to the aging staff, no later than 180 days following the conclusion of the grant period.

The scope of the audit is all program operations during the specified grant period. The audit is required to cover both financial and compliance elements. Whenever observations concerning economy, efficiency or effectiveness are made, these findings should be incorporated into the management letter segment of the audit report.

Grantees are required to prepare for the MAAA, a written response to all findings and recommendations within 30 days of the issuance of the audit report. Grantees whose projects are being funded at the time of the audit must provide evidence of resolution of audit report findings and recommendations before additional payments will be processed in the current grant period or before any grants or subgrants will be made for subsequent periods.

Sponsors of projects whose OAA funding has ended must provide documentation or repayment (if necessary) of questioned costs despite the conclusion of funding. In addition, former OAA grantees with past audit problems who are interested in funding for subsequent periods must show that resolution of audit report findings and recommendations has occurred before any new application is accepted and/or any new grants or subgrants will be made.

If a past OAA grantee is unable to resolve audit report findings and recommendations for a previous project period within 90 days of the issuance of the audit report, the Council will take appropriate action to deal with the unresolved issues/problems.

## **PROJECT AWARD TERMINATION**

Termination consists of withdrawing federal funding to a project prior to the end of an approved project period or project budget year. Any project may be terminated for good cause. Good cause is generally defined as evidence supporting the fact of potential harm to clients, serious or consistent lack of financial or program accountability, or lack of service provision. Further, good cause may be defined as:

- Repeated failure to comply with grantee reporting requirements, including the accurate and timely submission of reports;
- The recipient of award fails to comply with conditions under which the project proposal is approved;
- Program performance is inadequate;
- Non-federal resources (i.e., match) are not available;
- Misuse of funds is indicated by audit reports for previous project award; or
- Bankruptcy is declared by grantee.

Under federal and state rules and policies, there can be no federal participation in any cost accrued by a recipient of award during the period of project termination. In terminating project operations, the Council must determine the amount of unearned OAA funds the project has on hand. If the project is terminated, the amount of unearned OAA funds on hand must be returned.

### **Notice**

When the Council, Advisory Committee, any of its subcommittees, or aging staff believe that good cause exists for termination, the project currently receiving funding will be informed in writing of the grounds constituting good cause and will be requested to appear before the Advisory Committee at its next regularly scheduled meeting. In the event that conditions warrant speedy action, a special meeting may be called.

The MAAA and the Advisory Committee will review the status of the project. During the meeting, the project will have an opportunity to present information on its behalf. The Advisory Committee may develop a recommendation, or accept, reject or modify an aging staff recommendation. Any action of the Advisory Committee must be approved by the Metropolitan and Community Development Committee and the Council.

### **Notice of Appeal**

In any adverse action to a project, the project will have an opportunity to appeal the decision pursuant to the adopted appeal procedures. (see Appendix 9)

### **Conditions for Reinstatement**

If the Council receives a request to resume support for a project that was terminated, it must be determined that the reasons for which the support was terminated no longer exist. If the Council decides to reinstate support, it will issue a new Notification of Grant Awarded. The cost-sharing ratio which applied at the time of termination will apply at the time of reinstatement. The project year in which termination took place may be extended by no more than the length of time necessary to give a total of twelve months to the project year. Any funds awarded such a reinstated project must be in the form of new obligational authority.

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